

# EXHIBIT F

An email from the Bay View Association.

# Bay View Association

## of the United Methodist Church

### Above Board - July 19, 2017

This issue covers our July 7, 2017 Board of Trustees' meeting and other updates.

#### Update on Potential Lawsuit

In the last issue of *Above Board*, I mentioned that BVA had been threatened with a lawsuit. Everyone in Bay View now knows the suit was filed. What you don't know is that the letter we received from the plaintiff's attorney was really in bad faith. We received the letter on June 29<sup>th</sup> and it told us that by July 7, 2017, our BOT was to use Roberts Rules of Order to change our By-Laws as they instructed. You all know our By-Laws don't allow our BOT to change them using Roberts Rules of Order. Our attorney contacted the plaintiff's attorney in advance of their deadline to open a dialogue but the plaintiffs filed the suit anyway.

Several members have contacted me to tell me they had read the complaint on our website and have noted factual errors. Feel free to send me an e-mail with your observations about the "facts". A member who is an attorney told me if someone in his firm filed a complaint in federal court without validating the facts they would be called in and possibly fired. What does that tell you about this suit?

The suit was filed in the name of the Bay View Chautauqua Inclusiveness Group ("CIG"). We have not been given the names yet of the members of the group but one couldn't resist the opportunity to be interviewed on TV about the suit. You can see Don Duquette's interview at <http://upnorthlive.com/news/local/group-files-lawsuit-against-bay-view-association-for-religious-discrimination>.

#### Waterfront Update

In the last issue of *Above Board* I reported the BOT had asked the Waterfront Improvement Committee to separate wants from needs. At the July 7<sup>th</sup> meeting they reported they were recommending deferring the breakwater extension to be addressed at a later time, in favor of primary land improvements which include relocating the sailing and boating activities to the east of the Rec Club building. The cost estimate is \$325,000. This portion is in the plan submitted for permitting. The BOT will discuss this at Friday's meeting.

The highwater situation has caused an erosion issue, which exposed the old baby pool and concrete groins. This problem was not addressed in the plan which was submitted for permitting. The engineers have suggested hard lining the beach entry into the water. The design work for this portion is \$20,000. The hard surfacing is estimated to be \$350,000. The REC Committee will give their input for the design of the water entry. We'll have more details on this when the engineering is completed and we have a firm bid.

#### Explanation of My Comment at the Candidate Forum

At the Candidate Forum last Saturday, I mentioned in my opening comments that we presently have the required five Methodist Trustees on the BOT and two are up for re-election. I said we need to re-elect the two Methodist Trustees, as it is required by Article VII of our Restated

Articles of Association which clearly state that, a majority of the Trustees shall be members of the United Methodist Church. I have received several e-mails and had a number of members stop me on Campus to discuss this point. To clarify my comment, the By-laws say the following:

Par 2 - "Sixty (60%) percent of the Trustees shall be members of The United Methodist Church elected and nominated for appointment by the West Michigan Conference of The United Methodist Church."

Par 8 - "Subject to the church membership requirements specified in paragraph 2 of the By-Laws, those candidates receiving the highest number of votes shall fill the vacant three-year terms;"

What this tells me is that if Karl Hansen and I get at least one vote each we will be re-elected to the BOT. According to our attorney, failure to have at least five members of the UMC on our BOT would put us in default under our Articles of Association and By-laws. This could also result in jeopardizing our relationship with the UMC and ultimately our IRC 501(c)(3) status. Charlie Schloff and Diane Boyd are competing for the open seat. Please keep this in mind when you are voting.

#### Bay View Bits

- Once again, we had great July 4<sup>th</sup> parade. A very special thanks to Ric Loyd for being in-charge of the parade for such a long time and providing a smooth transition this year to Walt Byers. And a big thanks to Walt for stepping up and continuing the success.
- The Flavin suit has been settled. After the depositions were completed the judge required mediation, which failed. The next step was both sides presented their case to a three-attorney panel whose job it was to value it. Both sides had until July 3<sup>rd</sup> to accept or reject the valuation. At about the same time we filed a motion to dismiss the case. The judge did not rule on our motion by the July 3<sup>rd</sup> deadline so our insurance company and the plaintiff agreed to the award. The award was less than 10% of the amount the plaintiff asked for initially in the mediation.
- The Finance Forum went very well. About 25 members attended. The feedback was positive. Hats off to Treasurer Jim Rogers for trying new ways to communicate BVA financial information to the membership. I think Jim is planning to do it again next year.
- One thing that came out at the Candidate Forum is Block One is built on rock and the water lines are above the freeze line. This situation can be remedied but it would be very expensive. So Block One would not likely participate if the winter occupancy By-law proposal was passed.

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Jon Chism, President

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